

# STATE OF INDIANA

DEPARTMENT OF LOCAL GOVERNMENT FINANCE



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TO: County Auditors

FROM: Cheryl A.W. Musgrave, Commissioner

DATE: March 28, 2008

SUBJECT: Second Memorandum on Expediting Receipt of Assessed Values for Cross-County Taxing Units

1. The purpose of this memorandum is to supplement the previously issued memorandum entitled, "Expediting Receipt of Assessed Valuations for Cross-County Units," dated January 31, 2008, with additional information and direction. The Department's intent with this memorandum and the previous memorandum is to expedite the processing of budget orders.

2. Ten (10) Day Deadline to Certify Net Assessed Values for Cross-County Units

a. As of March 28, 2008, the Department of Local Government Finance ("Department") has received certified net assessed values (AVs) from twenty (20) counties. It is expected that a large number of counties will be submitting certified net AVs to the Department over the next 60 - 90 days. As a result, there will be several situations where a county has submitted its certified net AVs to the Department and is ready to have its budget certified, except for a cross-county unit that is shared with a county that is not yet ready to send its certified AVs to the Department. Such a situation will likely cause a significant backlog in the certification of budget orders, or require the issuance of a partial budget order. Neither scenario is acceptable to the Department.

b. Thus, to avoid delays in budget certification and property tax billings, the Department is instituting a new policy. As certified AVs are received by the Department, all counties that share cross-county units with the submitting county will be notified that they have ten (10) calendar days in which to certify net AVs to the Department for the cross-county units. If the Department does not receive certified net AVs for those units within the ten (10) calendar day time frame, the Department will use the assessed valuation as shown on the most current abstract of property.

c. The goal of this policy is to expedite the issuance of regular tax bills under Indiana Code chapter 6-1.1-22 for counties and prevent delays in the budget approval process for 2007-pay-2008.

### 3. New Cross-County Unit/Certified Assessed Valuation Law

a. On March 19, 2008, Governor Daniels signed into law House Enrolled Act (HEA) 1001. Section 146 of HEA 1001 addresses the County Auditor's submission of certified AVs to the Department by the statutory deadline of August 1. In this section of HEA 1001, which amends Indiana Code section 6-1.1-17-1(a) and is in effect on July 1, 2008, the certified statement from the County Auditor to the Department must now contain, "**for counties with taxing units that cross into or intersect with other counties, the assessed valuation as shown on the most current abstract of property.**"

b. The provision in **bold** was added by HEA 1001 to Indiana Code section 6-1.1-17-1(a) in order to address the situation discussed above where a county has submitted its AVs to the Department, but its budget order is delayed because the neighboring county, for which it shares a cross-county taxing unit, has failed to submit its AVs to the Department. It is the Department's intent to enforce this amendment to Indiana Code section 6-1.1-17-1(a) for 2008 budgets in order to prevent delays in the budget process when a cross-county taxing unit is involved.

4. The Department's budget field representatives will assist in carrying out the direction in this supplemental memorandum and the January 31, 2008 memorandum. If you have any questions, please feel free to contact your budget field representative. If you do not know who your budget field representative is, please call the Budget Division at (317) 234-5592.